Public Disclosure Authorized

Public Disclosure Authorized

**CREDIT NUMBER IDA 81200-SN**

# Financing Agreement

**(Casamance Economic Development Project)**

and
Second Amendment to the Parent Financing Agreement

**between**

**REPUBLIC OF SENEGAL**

**and**

**INTERNATIONAL DEVELOPMENT ASSOCIATION**

# FINANCING AGREEMENT

AGREEMENT dated as of the Signature Date between REPUBLIC OF SENEGAL ("Recipient") and INTERNATIONAL DEVELOPMENT ASSOCIATION ("Association").

**WHEREAS** (A) pursuant to a financing agreement signed between the Association and the Recipient on April 12, 2022, the Association provided Credit No. 70400-SN in an amount of thirty-nine million eight hundred thousand Euros (€39,800,000) to contribute to the financing of the project defined therein ("Parent Financing Agreement").

(B) The Recipient wishes to scale up its program and has requested additional financing from the Association to support such scale up.

**NOW, THEREFORE,** the Recipient and the Association hereby agree as follows:

## ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

1.01. The General Conditions (as defined in the Appendix to this Agreement) apply to and form part of this Agreement.

1.02. Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the General Conditions or in the Appendix to this Agreement.

## ARTICLE II — FINANCING

2.01. The Association agrees to extend to the Recipient a credit, which is deemed as Concessional Financing for purposes of the General Conditions, in the amount of thirty-four million four hundred thousand Euros (EUR 34,400,000), as such amount may be converted from time to time through a Currency Conversion (variously, "Credit" and "Financing") to: (a) assist in financing the project described in Schedule 1 to this Agreement ("Project"); and (b) provide the Rapid Response Option ("RRO").

2.02. The Recipient may withdraw the proceeds of the Financing in accordance with Section III of Schedule 2 to this Agreement.

2.03. The Maximum Commitment Charge Rate is one-half of one percent (1/2 of 1%) per annum on the Unwithdrawn Financing Balance.

2.04. The Interest Charge is the greater of: (a) the sum of one and a half percent (1.5%) per annum plus the Basis Adjustment to the Interest Charge; and (b) zero percent

(0%) per annum, or such rate as may apply following a Currency Conversion; on the Withdrawn Credit Balance.

2.05. The Payment Dates are February 15 and August 15 in each year.

2.06. The principal amount of the Credit shall be repaid in accordance with Section 3.05 of the General Conditions and the repayment schedule set forth in Schedule 3 to this Agreement.

## ARTICLE III — PROJECT; CONTINGENT EMERGENCY RESPONSE PROJECT

3.01. The Recipient declares its commitment to the objective of the Project and the Contingent Emergency Response Project ("CERP"). To this end, the Recipient shall: (a) carry out the Project in accordance with the provisions of Article V of the General Conditions and, Schedule 2 to this Agreement; and (b) carry out, or cause to be carried out, the CERP in accordance with Article V of the General Conditions.

## ARTICLE IV — EFFECTIVENESS; TERMINATION

4.01. The Effectiveness Deadline is the date ninety (90) days after the Signature Date.

4.02. For purposes of Section 10.05 (b) of the General Conditions, the date on which the obligations of the Recipient under this Agreement (other than those providing for payment obligations) shall terminate is twenty (20) years after the Signature Date.

## ARTICLE V — REPRESENTATIVE; ADDRESSES

5.01. The Recipient's Representative is its minister in charge of finance.

5.02. For purposes of Section 11.01 of the General Conditions:

(a) the Recipient's address is:

Ministère de l'Economie, des Finances et du Plan
Rue René Ndiaye x Avenue Carde
BP 4017
Dakar
Republic of Senegal; and

(b) the Recipient's Electronic Address is:

| Telecopy: | E-mail: |
|---|---|
| + 221-33822-4195 | scmbeguere@minfinances.sn |

5.03. For purposes of Section 11.01 of the General Conditions:

(a) the Association's address is:

International Development Association
1818 H Street, N.W.
Washington, D.C. 20433
United States of America; and

(b) the Association's Electronic Address is:

| Telex: | Facsimile: | E-mail: |
|---|---|---|
| 248423 (MCI) | 1-202-477-6391 | worldbank-senegal@worldbank.org |

AGREED as of the Signature Date.

**REPUBLIC OF SENEGAL**

**By**

Cheikh Diba

**Authorized Representative**

**Name: _____**

**Title: _____**

**Date: _____**

**INTERNATIONAL DEVELOPMENT ASSOCIATION**

**By**

Djibrilla Adamou Issa

**Authorized Representative**

**Name: _____**

**Title: _____**

**Date: _____**

## SCHEDULE 1

## Project Description

The objective of the Project is to build inclusive local governance systems that deliver climate resilient local services and infrastructure, in targeted communities in selected fragile regions of Senegal (Casamance and Kédougou).

The Project consists of the following parts:

*Part 1. Strengthening local governance and enhancing access to local services for improved inclusion and resilience, by:*

1.1 Strengthening community and local government capacity for inclusive local governance and resilience planning, through the provision of support for the establishment of Citizen Engagement Committees and development of their capacity to act as participatory community level interface with the local governments, including for the preparation and adoption of climate change sensitive Local Development Plans and associated Annual Investment Plans, the mobilization of resources and the supervision of the implementation of community development activities.

1.2 Enhancing access to climate resilient local services, through the provision of support to local governments for the rehabilitation of local climate resilient public infrastructure included in Annual Investment Plans in a manner which promotes local labor and material, equal opportunities and transparency of allocation of resources.

1.3 Providing support for the systematic restoration of civil documentation for returning populations in Southern pole, primarily women and youth, through: (a) equipping and operationalizing civil registration centers in targeted communes; (b) training civil registration staff; and (c) mobile registration campaigns and outreach courts (*audiences foraines*).

1.4 Strengthening social cohesion through improved primary education infrastructure and community-based school governance, through: (a) the provision of support for the rehabilitation and upgrading of primary schools in targeted communes, including the elimination of temporary shelters and the improvement of learning conditions, WASH facilities and basic safety measures, targeted packages of socio-economic infrastructure, comprising school boundary walls, water points, lighting systems, and sanitation facilities (latrine blocks); and (b) the provision of capacity building support to school management committees on planning, budget oversight and community mobilization, and support to initiatives promoting school enrollment and retention.

*Part 2. Enhancing rural mobility and enhancing access to economic activities and basic services, by:*

2.1 Providing support for the rehabilitation and upgrading of climate resilient and all weather accessible secondary and tertiary roads included in Rural Mobility Plans, including detailed design studies and environmental and social risk management plans, surface improvements, drainage structures, retaining walls, slope stabilization and erosion structures, as well as small complementary safety structures such as lighting and bus stops.

2.2 Providing training, equipment and other support to the communities for the expansion and implementation of the community-based road maintenance contracts for the maintenance of non-classified, secondary and tertiary roads.

2.3 Supporting rural connectivity in the Southern pole, particularly in returning areas, through: (a) the provision of support for the construction and rehabilitation of rural and feeder roads to improve access to markets, basic services, and cultural and natural sites, and to strengthen connectivity between production zones and trading centers; and (b) the provision of support for rural mobility planning and targeted improvements, and assessments of complementary economic infrastructure needs, including aggregation platforms, storage facilities and local markets.

2.4 Supporting productive infrastructure and agricultural connectivity through: (a) the rehabilitation of irrigation perimeters, rice valleys (*bas-fonds*) and water management infrastructure; (b) the construction and rehabilitation of post-harvest infrastructure, including storage facilities, processing units and market platforms (*marchés*); and (c) the development of agricultural logistics systems, including feeder roads.

*Part 3. Broadening sustainable rural livelihood opportunities, by:*

3.1 Enhancing the productivity and resilience of rice growing areas, through the provision of grants, technical assistance and training for the implementation of rice-valley rehabilitation and maintenance sub-projects screened for climate risks, included in Department Development Plans.

3.2 Providing grants, technical assistance and training to support the implementation by Community-Based Organizations of the investments included in Annual Investment Plans, in agriculture value chains, livestock and fisheries that reinforce their quality, production, marketability, competitiveness and resilience to climate change.

3.3 Enhancing employability and promoting inclusive economic participation through: (a) the provision of support for market-relevant technical, vocational, entrepreneurial and digital skills development programs aligned with priority sectors including agribusiness, and services; and (b) the provision of enterprise support mechanisms, including in-kind support and competitive cash grants to entrepreneurs, leveraging synergies with existing programs.

*Part 4. Supporting Project management, digital innovations and knowledge management*

4.1 Supporting Project management and implementation, including planning, collection and management of information, environmental and social risk mitigation, financial management and procurement, monitoring, evaluation and reporting activities, communication and coordination of government agencies at national, regional and local levels and communities.

4.2 Establishment and operation of a Casamance knowledge management platform and an observatory for sustainable development in Casamance.

4.3 Developing digital tools to support the community-centered approach, strengthen Community-Based Organizations and facilitate training and access to digital advisory services by farmers.

4.4 Supporting decentralized project management through existing government structures at national, regional, and local levels with the strengthening of the project's MIS, communication, and transparency mechanisms, and the integration of climate risk management.

4.5 Supporting knowledge management and data integration, including through: (a) the regulatory mapping of risks, land uses and projections; (b) the territorial spatial planning, urban development and scheme development; (c) the territorial development strategy, as well as the studies; and (d) the establishment of standardized tracking tools, the improvement of the reporting workflows, and enhancing the use of dashboards and performance metrics.

*Part 5: Contingent Emergency Response*

Provision of immediate response to an Eligible Crisis or Health Emergency.

## SCHEDULE 2

## Project Execution

### Section I. Implementation Arrangements

### A. Institutional Arrangements

### 1. General

(a) The Recipient shall designate and charge the Ministry of Urban Planning, Local Governments, and Territorial Development (*Ministère de l'Urbanisme, des Collectivités territoriales et de l'Aménagement des territoires* (MUCTAT)) with overall responsibility for Project coordination and supervision.

(b) The Recipient shall ensure that the following implementation arrangements are maintained throughout the period of implementation of the Project.

### 2. National Steering Committee

(a) The Recipient shall, maintain within MUCTAT, the National Steering Committee (NSC) with terms of reference, composition and resources acceptable to the Association.

(b) Without limitation to the generality of Section I.A.2(a) of this Schedule, the NSC shall: (i) include representatives of the Recipient's ministries responsible for transport, finance, economy, agriculture, industry and commerce as well as representatives of the association of the departments of Senegal and the association of the mayors of Senegal ; and (ii) be responsible for providing overall guidance for the Project, facilitate national coordination of Project activities and ensure coherence with other projects in Casamance and Kédougou.

### 3. Regional Monitoring Committees

(a) The Recipient shall maintain the three (3) Regional Monitoring Committees (RMC) in Sédhiou, Kolda and Ziguinchor, and no later than one (1) month after the Effective Date, establish an RMC in Kédougou, in each case under the authority of the Governor and each with terms of reference, composition and resources acceptable to the Association.

(b) Without limitation to the generality of Section I.A.3(a) of this Schedule, each RMC shall: (i) include, among others, the Governor, and

representatives of SRPDT, ANRAC, ARD, DRDR, ISRA, the Road Directorate, AGETIP, the association of the departments of Senegal, the association of the mayors of Senegal, the commerce, industry and agriculture chamber and the trade chamber, and civil society including organizations of women and youth; and (ii) be responsible for providing technical guidance and oversight of the Project management, facilitate regional level coordination of Project activities, and review implementation of the annual work plans and budgets of the relevant implementation levels.

**4. Project Implementation Unit**

(a) The Recipient shall maintain the Project Implementation Unit in Ziguinchor (PIU) with terms of reference, composition and resources acceptable to the Association.

(b) Without limitation to the generality of Section I.A.4(a) of this Schedule, the PIU shall: (i) have primary responsibility for the overall implementation of the Project in accordance with the recommendations and decisions of the NSC and RMC, including recruitment and contracting, consolidation of annual work plans and budgets and reporting, financial management and oversight to ensure compliance with procurement, environmental and social obligations in the implementation of the Project, all in close cooperation with the government's agencies at the regional, departmental and municipal levels; (ii) include the following key staff for the Project: one project coordinator, one financial management specialist, one procurement specialist, one social risk management and gender development specialist, one environmental risk management specialist, one monitoring and evaluation specialist, one rural development specialist, one specialist for the financing of sub-projects and community-based organizations, one infrastructure specialist, one accounting specialist and one communication specialist; and (iii) use the services of one internal auditor and one information and communication technology specialist.

(c) The Recipient, through the PIU shall, establish no later than one (1) month after Effective Date and thereafter maintain, a local antenna in Kédougou which shall include, among others, the following staff for the Project: a head or focal point with expertise in civil engineering infrastructure, socioeconomics, or local development; a monitoring and evaluation assistant; a procurement assistant; an accountant; an environmental and social specialist, who will also serve as a gender specialist with expertise in the prevention and management of gender-based violence, including sexual exploitation, sexual abuse, and sexual harassment, two drivers; and an executive assistant.

## B. Implementation Arrangements

### 1. Project Implementation Manual

(a) The Recipient shall maintain, throughout the period of implementation of the Project, the Project Implementation Manual (PIM) in form and substance acceptable to the Association, which shall contain a detailed and sequenced description of the Project activities with a timeline and ongoing planning and budgeting procedures, as well as descriptions and guidelines for the application of all implementation, monitoring and evaluation arrangements, reporting, financial management procedures, contract management, investments and subprojects eligibility criteria for a financing under the Project, screening, appraisal and funding mechanism, grievance redress mechanism, procurement procedures and procedures to implement and comply with the Anticorruption Guidelines and the Environmental and Social Standards. The PIM shall also include an obligation to consult with the Association on a regular basis on the security situation in the area of implementation of the Project, and to submit to the Association's prior approval any decision to involve security agencies or the military in the implementation of Project's activities, in order to enable the Association to assess the compliance with its mandatory policies and the acceptability of the mitigation measures designed by the Recipient to mitigate the risks which may result from the implementation of such a decision.

(b) The Recipient shall refrain from amending, suspending, waiving, and/or voiding any provision of the PIM, whether in whole or in part, without the prior written concurrence of the Association.

(c) The Recipient shall ensure that the Project is implemented in accordance with the provisions of the PIM. In the event of a conflict between the provisions of the PIM and those of this Agreement, the provision of this Agreement shall prevail.

### 2. Annual Work Plan and Budget

(a) The Recipient shall, not later than one (1) month after the Effective Date for the Fiscal Year in which this Agreement shall become effective, and November 30 of each subsequent Fiscal Year, consolidate and furnish to the Association for the Association's no objection, a consolidated annual program of activities proposed for implementation under the Project during the following Fiscal Year, together with a proposed budget.

(b) Without limitation to the provision of Section I.B.2(a) of this Schedule, each annual work plan and budget prepared under Section I.B.2(a) of this

Schedule shall set forth: (i) a detailed description of the planned activities, including any proposed conferences and training, under the Project for the period covered by the plan; (ii) the sources and proposed use of funds therefor; (iii) procurement and environmental and social safeguards arrangements therefor, as applicable; and (iv) responsibility for the execution of said Project activities, budgets, start and completion dates, outputs and monitoring indicators to track progress of each activity.

(c) The Recipient shall exchange views with the Association on each such proposed consolidated annual work plan and budget and take into account comments which the Association may have before finalizing its annual work plan and budget not later than one (1) month after the date referred to in Section I.B.2(a) of this Schedule (once finalized, an "Annual Work Plan and Budget").

(d) The Recipient shall carry out the activities included in each of the Annual Work Plans and Budgets during the Fiscal Year to which they relate. Annual Work Plans and Budgets may be revised during the Fiscal Year to which they relate, with the prior written agreement of the Association.

**C. Sub-projects**

1. For the implementation of Part 3 of the Project, the Recipient shall provide Sub-financing to Beneficiaries for the partial financing of eligible investments, all in accordance with eligibility criteria and procedures acceptable to the Association, and further described in the PIM.

2. The Recipient shall make each Sub-financing under a Sub-financing Agreement with the respective Beneficiary on terms and conditions approved by the Association, which shall include the following:

(a) The Sub-financing shall be in the form of matching grants in CFAF.

(b) The Recipient shall obtain rights adequate to protect its interests and those of the Association, including the right to: (i) suspend or terminate the right of the Beneficiary to use the proceeds of the Sub-financing, or obtain a refund of all or any part of the amount of the Sub-financing then withdrawn, upon the Beneficiary's failure to perform any of its obligations under the Sub-financing Agreement; and (ii) require each Beneficiary to: (A) carry out its Sub-project with due diligence and efficiency and in accordance with sound technical, economic, financial, managerial, environmental and social standards and practices satisfactory to the Association, including in accordance with the provisions of the Anti-Corruption Guidelines applicable to recipients of loan proceeds other than the Recipient; (B) provide, promptly as needed, the resources required for

the purpose; (C) procure the goods, works and services to be financed out of the Sub-financing in accordance with the provisions of this Agreement; (D) maintain policies and procedures adequate to enable it to monitor and evaluate in accordance with indicators acceptable to the Association, the progress of the Sub-project and the achievement of its objectives; (E) (1) maintain a financial monitoring system and prepare financial documents in accordance with consistently applied standards acceptable to the Association, both in a manner adequate to reflect the operations, resources and expenditures related to the Sub-project, as further detailed in the PIM; and (2) at the Association's or the Recipient's request, have such financial documents audited by independent auditors acceptable to the Association, in accordance with consistently applied auditing standards acceptable to the Association, and promptly furnish the statements as so audited to the Recipient and the Association; (F) enable the Recipient and the Association to inspect the Sub-project, its operation and any relevant records and documents; and (G) prepare and furnish to the Recipient and the Association all such information as the Recipient or the Association shall reasonably request relating to the foregoing.

3. The Recipient shall exercise its rights under each Sub-financing Agreement in such manner as to protect the interests of the Recipient and the Association and to accomplish the purposes of the Financing. Except as the Association shall otherwise agree, the Recipient shall not assign, amend, abrogate or waive any Sub-financing Agreement or any of its provisions.

**D. Environmental and Social Standards**

1. The Recipient shall ensure that the Project is carried out in accordance with the Environmental and Social Standards, in a manner acceptable to the Association.

2. Without limitation upon paragraph 1 above, the Recipient shall ensure that the Project is implemented in accordance with the Environmental and Social Commitment Plan ("ESCP"), in a manner acceptable to the Association. To this end, the Recipient shall ensure that:

   (a) the measures and actions specified in the ESCP are implemented with due diligence and efficiency, as provided in the ESCP;

   (b) sufficient funds are available to cover the costs of implementing the ESCP;

   (c) policies and procedures are maintained, and qualified and experienced staff in adequate numbers are retained to implement the ESCP, as provided in the ESCP; and

(d) the ESCP, or any provision thereof, is not amended, repealed, suspended or waived, except as the Association shall otherwise agree in writing, as specified in the ESCP, and ensure that the revised ESCP is disclosed promptly thereafter.

3. In case of any inconsistencies between the ESCP and the provisions of this Agreement, the provisions of this Agreement shall prevail.

4. The Recipient shall ensure that:

(a) all measures necessary are taken to collect, compile, and furnish to the Association through regular reports, with the frequency specified in the ESCP, and promptly in a separate report or reports, if so requested by the Association, information on the status of compliance with the ESCP and the environmental and social instruments referred to therein, all such reports in form and substance acceptable to the Association, setting out, inter alia: (i) the status of implementation of the ESCP; (ii) conditions, if any, which interfere or threaten to interfere with the implementation of the ESCP; and (iii) corrective and preventive measures taken or required to be taken to address such conditions; and

(b) the Association is promptly notified of any incident or accident related to or having an impact on the Project which has, or is likely to have, a significant adverse effect on the environment, the affected communities, the public or workers, in accordance with the ESCP, the environmental and social instruments referenced therein and the Environmental and Social Standards.

5. The Recipient shall establish, publicize, maintain and operate an accessible grievance mechanism, to receive and facilitate resolution of concerns and grievances of Project-affected people, and take all measures necessary and appropriate to resolve, or facilitate the resolution of, such concerns and grievances, in a manner acceptable to the Association.

6. The Recipient shall ensure that all bidding documents and contracts for civil works under the Project include the obligation of contractors, and subcontractors and supervising entities to: (a) comply with the relevant aspects of ESCP and the environmental and social instruments referred to therein; and (b) adopt and enforce codes of conduct that should be provided to and signed by all workers, detailing measures to address environmental, social, health and safety risks, and the risks of sexual exploitation and abuse, sexual harassment and violence against children, all as applicable to such civil works commissioned or carried out pursuant to said contracts.

**E. Contingency Emergency Response**

1. In order to ensure the proper implementation of activities under the Contingent Emergency Response Component (CER Component), the Recipient shall:

   (a) prepare and furnish to the Association for its review and approval, a Contingent Emergency Response Component Manual (CERC Manual) which shall set forth detailed implementation arrangements for the CER Component, including: (i) designation of, terms of reference for and resources to be allocated to, the entity or entities to be responsible for the coordination and implementation of the CER Component ("Coordinating Authority"); (ii) specific activities which may be included in the CER Component, eligible expenditures required therefor ("Emergency Expenditures"), and any procedures for such inclusion; (iii) financial management arrangements for the CER Component; (iv) procurement methods and procedures for the CER Component; (v) documentation required for withdrawals for the financing of Emergency Expenditures; (vi) application of any relevant environmental and social instruments to the CER Component; and (vii) any other arrangements necessary to ensure proper coordination and implementation of the CER Component;

   (b) afford the Association a reasonable opportunity to review the proposed CERC Manual;

   (c) promptly adopt the CERC Manual for the CER Component as accepted by the Association;

   (d) ensure that the CER Component is carried out in accordance with the CERC Manual; provided, however, that in the event of any inconsistency between the provisions of the CERC Manual and this Agreement, the provisions of this Agreement shall prevail; and

   (e) not amend, suspend, abrogate, repeal or waive any provision of the CERC Manual without the prior written approval by the Association.

2. After the Recipient has determined that an Eligible Crisis or Health Emergency has occurred, the Recipient shall prepare and furnish to the Association for its review and approval, in accordance with the provisions set forth in the CERC Manual, a Contingent Emergency Response Implementation Plan ("CERIP") which shall set forth detailed arrangements for the activation of CER Component, including: (i) specific activities to be financed out of the Emergency Expenditures; (ii) itemized costs for each expenditure item; (iii) implementation arrangements for the CER Component, as defined in the CERC Manual or with proposed amendments; (iv) procurement plan for the CER Component; (v) details regarding

compliance with environmental and social instruments; and (vi) any other arrangements necessary to ensure proper implementation of the CER Component.

3. The Recipient shall, throughout the period of implementation of the CER Component, maintain the Coordinating Authority, with adequate staff and resources satisfactory to the Association.

4. The Recipient shall undertake no activities under the CER Component (and no activities shall be included in the CER Component) unless and until the following conditions have been met in respect of said activities:

(a) (i) the Recipient has determined that an Eligible Crisis or Health Emergency has occurred; (ii) the Recipient has furnished to the Association a request to include said activities in the CER Component in order to respond to said Eligible Crisis or Health Emergency; and (iii) the Association has agreed with such determination, accepted said request and notified the Recipient thereof; and

(b) the Recipient has prepared and disclosed all environmental and social instruments required for said activities, in accordance with the CERC Manual; (ii) the Association has approved all such instruments; and (iii) the Recipient has implemented all actions which are required to be taken under said instruments prior to the commencement of such activities.

## Section II. Project Monitoring, Reporting and Evaluation

The Recipient shall furnish to the Association each Project Report not later than forty-five (45) days after the end of each calendar semester, covering the calendar semester.

## Section III. Withdrawal of the Proceeds of the Financing

### A. General

Without limitation upon the provisions of Article II of the General Conditions, the Recipient may withdraw the proceeds of the Financing: (a) to finance Eligible Expenditures for the Project or the CERP in accordance with the respective Disbursement and Financial Information Letter; and (b) for the Complementary Financing for the CAT DDO in accordance with the provisions of Section II.A of the relevant Schedule on "Program Actions, Availability of Financing Proceeds" (or such equivalent heading) to the Cat DDO Legal Agreement (including the relevant provisions of any other document that is referred to or forms part of the Cat DDO Legal Agreement), which are hereby incorporated by reference in this Agreement, and which shall apply, *mutatis mutandis*, to the amount of the Credit allocated to the aforementioned Category; all in the amount allocated and, if

applicable, up to the percentage set forth against each Category of the following table:

| Category | Amount of the Credit Allocated (expressed in EUR) | Percentage of Expenditures to be Financed (inclusive of Taxes) |
|---|---|---|
| (1) Goods, works, non-consulting services, consulting services, Training and Operating Costs for the Project, except Emergency Expenditures under Part 5 of the Project and Sub-financing under Part 3 of the Project | 30,600,000 | Such percentage indicated in the Annual Work Plan and Budget approved by the Association for the relevant period |
| (2) Sub-financing under Part 3 of the Project | 3,800,000 | Such percentage indicated in the Annual Work Plan and Budget approved by the Association for the relevant period |
| (3) Emergency Expenditures under Part 5 of the Project | 0 | |
| (4) Eligible Expenditures for the CERP | 0 | 100% |
| (5) Complementary Financing for the Cat DDO | 0 | (Not applicable) |
| **TOTAL AMOUNT** | **34,400,000** | |

**B. Withdrawal Conditions; Withdrawal Period**

1. Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made:

   (a) for payments made prior to the Signature Date; or

   (b) under Category (2), unless and until the Association is satisfied, and has notified the Recipient of its satisfaction, on the form, substance and level

of detail of the section of the Project Implementation Manual related to the Sub-projects; or

(c) under Category (3), unless and until the Association is satisfied, and has notified the Recipient of its satisfaction, that all of the following conditions have been met:

(i) the Recipient has determined that an Eligible Crisis or Health Emergency has occurred, has furnished to the Association a request to include certain activities in the Contingent Emergency Response Component (CER Component) in order to respond to said Eligible Crisis or Health Emergency, and the Association has agreed with such determination, accepted said request, and notified the Recipient thereof;

(ii) the Recipient has prepared and disclosed all environmental and social instruments, acceptable to the Association, required for said activities, and has implemented all actions which are required to be taken under said instruments, all in accordance with the provisions of Section I.E.4(b) of Schedule 2 to this Agreement;

(iii) the Recipient has provided evidence satisfactory to the Association that the Coordinating Authority has adequate staff and resources in accordance with the provision of Section I.E.3 of Schedule 2 to this Agreement, for the purposes of said activities; and

(iv) the Recipient has adopted a CERC Manual in form, substance and manner acceptable to the Association and the provisions of the CERC Manual remain, or have been updated in accordance with the provisions of Section I.E.1(a) of Schedule 2 to this Agreement, so as to be appropriate for the inclusion and implementation of said activities under the respective CER Component.

(d) for Eligible Expenditures under Category (4), until and unless the Association has notified the Recipient that the conditions set forth in Section 5.15 (a) of the General Conditions have been fulfilled;

(e) for Complementary Financing for the Cat DDO under Category (5), until and unless:

(i) the Recipient has furnished to the Association a request to reallocate and thereafter withdraw all or part of the Unwithdrawn Credit Balance for the Complementary Financing for the Cat DDO, and such notice specifies the Cat DDO Legal Agreement; and

(ii) the Association has accepted said request and notified the Recipient thereof, and is satisfied, based on evidence satisfactory to it, that the conditions precedent to withdrawal of the financing provided under the Cat DDO Legal Agreement have been fulfilled.

2. In the event of withdrawal of the Complementary Financing for the Cat DDO, the Recipient shall comply with any provisions on "Deposits of Financing Proceeds/Amounts" and "Audits" (or such equivalent heading) set forth in Section II of the relevant Schedule on "Program Actions, Availability of Financing Proceeds" (or such equivalent heading) to the Cat DDO Legal Agreement (including the relevant provisions of any other document that is referred to or forms part of the Cat DDO Legal Agreement) to the same extent as if such provisions have been set out in full in this Agreement, except that: (a) the terms "Credit", "Grant" or "Financing" (or such equivalent terms) shall be deemed to refer to the amount of the Complementary Financing for the Cat DDO; and (b) the terms "Credit Account", "Grant Account" or "Financing Account" (or such equivalent terms) shall be deemed to refer to the Credit Account for this Credit.

3. The Closing Date is June 30, 2030.

4. (a) Notwithstanding the provisions of Part B.1 of this Section, and without limitation to the provisions set forth in Section 8.03 of the General Conditions, the Association may cancel all or a portion of the Unwithdrawn Financing Balance if at any time the Association has determined and notified the Recipient that there is Lack of Progress on Project Implementation.

(b) For purposes of paragraph (a) above, the term "Lack of Progress on Project Implementation" means no withdrawals of Financing amounts requested by the Recipient from the Financing Account for twelve (12) or more consecutive months, following the Effective Date, and that the Project is not making progress in the achievement of the Project objective(s) as monitored by the indicators referred to in Section 5.08 of the General Conditions, without the Recipient having taken timely and appropriate action satisfactory to the Association to rectify such issues.

## Section IV. Other Undertakings

### A. Memorandum of Understanding ANEC.

1. The Recipient shall, no later than one (1) month after Effective Date, sign a Memorandum of Understanding (MoU) with the National Civil Registration Agency (*Agence Nationale de l'État Civil* – ANEC), under terms and conditions acceptable to the Association, to ensure effective coordination in the delivery of civil registration services.

**B. Amendment to the Parent Financing Agreement.**

1. Section III.B.2 of Schedule 2 to the Parent Financing Agreement is amended to read as follows:

"The Closing Date is June 30, 2030."

2. The definition of the term AGEROUTE in the Parent Financing Agreement has been deleted and replaced by the following definition, and all references to such term in the Parent Financing Agreement shall be deleted and replaced by the term AGETIP:

"AGETIP" means Agency for the Implementation of Public Interest Works (*Agence d'Exécution des Travaux d'Intérêt Public*), or any successor thereto.

## SCHEDULE 3

### Repayment Schedule

The Recipient shall repay the principal amount of the Credit in accordance with the table set forth below.

| **Date Payment Due** | **Principal Amount of the Credit repayable (expressed as a percentage)*** |
|---|---|
| On each February 15 and August 15: | |
| commencing August 15, 2031 to and including February 15, 2051 | **2.5%** |

* The percentages represent the percentage of the principal amount of the Credit to be repaid, except as the Association may otherwise specify pursuant to Section 3.05 (b) of the General Conditions.

## APPENDIX

**Section I. Definitions**

1. "AGETIP" means Agency for the Implementation of Public Interest Works (*Agence d'Exécution des Travaux d'Intérêt Public*), or any successor thereto.

2. "Annual Investment Plan" means a plan covering the investment to be made during the year it covers, prepared by the Citizen Engagement Committee for the sequenced implementation of its Local Development Plan.

3. "Annual Work Plan and Budget" means a plan and budget prepared by the Recipient for the Project and finalized in accordance with the provisions of Section I.B.2 of Schedule 2 to this Agreement.

4. "ANRAC" means *Agence nationale pour la Relance des Activités économiques et sociales en Casamance,* the National Agency for the Recovery of Economic and Social Activities in the Casamance, or any successor thereto.

5. "Anti-Corruption Guidelines" means, for purposes of paragraph 5 (a) of the Appendix to the General Conditions, the "Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants", dated October 15, 2006 and revised in January 2011 and as of July 1, 2016.

6. "ARD" means *Agence Régionale de Développement*, the Recipient's regional development agency, or any successor thereto.

7. "Basis Adjustment to the Interest Charge" means the Association's standard basis adjustment to the Interest Charge for credits in the currency of denomination of the Credit, in effect at 12:01 a.m. Washington, D.C. time, on the date on which the Credit is approved by the Executive Directors of the Association, and expressed either as a positive or negative percentage per annum.

8. "Beneficiary" means, individually, a commune which meets the eligibility criteria set out in the PIM, to which the Recipient is preparing to provide or has provided a Sub-financing to contribute to the financing of a Sub-project included in a Local Development Plan.

9. "Casamance" means a subdivision of Senegal located in the Southern part of the country and bordering the Casamance river.

10. "Cat DDO Legal Agreement" means the agreement between the Recipient and the Association or the Bank, as the case may be, for the Cat DDO, whose closing date is after the date when the Recipient requests the withdrawal of the Complementary

Financing for the Cat DDO, as further specified by the Recipient in such request for withdrawal.

11. "Cat DDO" means the financing provided under the Cat DDO Legal Agreement with a deferred drawdown option for catastrophe risks.

12. "Category" means a category set forth in the table in Section III.A of Schedule 2 to this Agreement.

13. "CER Component" means the Contingent Emergency Response Component under Part 5 of the Project.

14. "CERC Manual" means the Contingent Emergency Response Component Manual to be entered into for the implementation of the CER Component, pursuant to Section III.B.1(c)(iv) of Schedule 2 to this Agreement and in accordance with the provisions of Section I.E.1(a) of Schedule 2 to this Agreement.

15. "CERIP" means the Contingent Emergency Response Implementation Plan to be prepared by the Recipient for the activation of the CER Component in accordance with the provisions of Section I.E.2 of Schedule 2 to this Agreement.

16. "CFA Francs" or "CFAF" means the currency having legal tender on the territory of the Recipient (among others).

17. "Citizen Engagement Committee" or "CEC" means, individually, a committee established in a pilot Commune to act as a key community level interface between local governments and communities.

18. "Commune" means one of the Recipient's thirty-three (33) local divisions which meet the criteria listed in Article 3 of the Recipient's law no. 66-64 dated June 30, 1966 which contains the communal administration code.

19. "Community-Based Organization" means a legal entity duly registered under the Recipient's applicable law, as an organization aimed at making desired improvements to an identified community's social health, well-being, and overall functioning.

20. "Coordinating Authority" means the authority to be designated by the Recipient for the implementation of the CER Component pursuant to Section III.B.1(c)(iii) of Schedule 2 to this Agreement and in accordance with the provisions of Section I.E.1(a) of Schedule 2 to this Agreement.

21. "Department" means a sub-division of one of the fourteen (14) regions of Senegal.

22. "Department Development Plan" means a plan for the purpose of planning and prioritizing Department's needs and endorsed by the Department's authorities.

23. "DRDR" means *Directions Régionales de Développement Rural*, under the Recipient's ministry responsible for agriculture, or any successor thereto.

24. "Complementary Financing for the Cat DDO" means the amount of the Credit allocated to the Category entitled "Complementary Financing for the Cat DDO" in the table set forth in the table in Section III.A of Schedule 2 to this Agreement.

25. "Disease Outbreak" means an outbreak of viral pathogens with a primary zoonotic reservoir or an outbreak due to deliberate or accidental release of pathogens previously eliminated from the human population, which in accordance with criteria acceptable to the Association poses a significant threat of spreading within a country or across countries, with potential to cause a large-scale regional epidemic or a global pandemic.

26. "Eligible Crisis or Health Emergency" means an event that has caused, or is likely to imminently cause, a major adverse economic and/or social impact to the Recipient, associated with a natural or man-made crisis or disaster.

27. "Emergency Expenditures" means any of the eligible expenditures set forth in the CERC Manual, incurred or to be incurred in accordance with the provision of Section I.E.1(a) of Schedule 2 to this Agreement, and required for the activities described in such manual to be financed under the CER Component.

28. "Environmental and Social Commitment Plan" or "ESCP" means the environmental and social commitment plan for the Project, dated June 15, 2026 as the same may be amended from time to time in accordance with the provisions thereof, which sets out the material measures and actions that the Recipient shall carry out or cause to be carried out to address the potential environmental and social risks and impacts of the Project, including the timeframes of the actions and measures, institutional, staffing, training, monitoring and reporting arrangements, and any environmental and social instruments to be prepared thereunder.

29. "Environmental and Social Standards" or "ESSs" means, for purposes of paragraph 56 of the Appendix to the General Conditions, the standards referenced in said paragraph, effective on October 1, 2018, as published by the Association.

30. "Fiscal Year" means a consecutive period of twelve (12) months starting on January 1, each year.

31. "General Conditions" means the "International Development Association General Conditions for IDA Financing, Investment Project Financing", dated December 14, 2018 (Last revised on July 1, 2025).

32. "ISRA" means *Institut Sénégalais de Recherches Agricoles* (Senegalese Institute for Agricultural Research), or any successor thereto.

33. "Local Development Plan" means a five-year plan developed by a Citizen Engagement Committee and a Commune with the participation of the communities for the purpose of planning and prioritizing their needs and endorsed by the Commune authorities.

34. "MUCTAT" means the Recipient's Ministry of Urban Planning, Local Governments, and Territorial Development (*Ministère de l'Urbanisme, des Collectivités Territoriales et de l'Aménagement des Territoires*), or any successor thereto.

35. "National Steering Committee" or "NSC" means the committee to be established by the Recipient for the Project in accordance with Section I.A.2 of Schedule 2 to this Agreement.

36. "Personal Data" means any information relating to an identified or identifiable individual. An identifiable individual is one who can be identified by reasonable means, directly or indirectly, by reference to an attribute or combination of attributes within the data, or combination of the data with other available information. Attributes that can be used to identify an identifiable individual include, but are not limited to, name, identification number, location data, online identifier, metadata and factors specific to the physical, physiological, genetic, mental, economic, cultural or social identity of an individual.

37. "Operating Costs" means the reasonable incremental expenditures, as approved by the Association through an Annual Work Plan and Budget, for salaries of contractual staff (other than consultants), per diems, office rental, office supplies, utilities, conveyance, travel and boarding/lodging allowances, operation and maintenance of office equipment and vehicles, advertising expenses and bank charges, insurance, media broadcastings, newspaper subscriptions, periodicals, and printing and stationery costs incurred by the Recipient in connection with the management, coordination and implementation of Project's activities, which expenditures would not have been incurred absent the Project, but excluding salaries and salary top-ups of the Recipient's civil servants.

38. "Procurement Regulations" means, for purposes of paragraph 92 (a) of the Appendix to the General Conditions, the "World Bank Procurement Regulations for IPF Borrowers", dated September 2025.

39. "Project Implementation Manual" or "PIM" means the manual developed and adopted by the Recipient for the Project pursuant to Section I.B.1(a) of Schedule 2 to this Agreement, as may be amended from time to time in accordance with Section I.B.1(b) of Schedule 2 to this Agreement.

40. "Project Implementation Unit" or "PIU" means the unit maintained by the Recipient under the authority of its MUCTAT and located in *Ziguinchor* in accordance with the provisions of Section I.A.4 of Schedule 2 to this Agreement.

41. "Regional Monitoring Committee" or "RMC" means one of the committees to be established by the Recipient for the Project in accordance with Section I.A.3 of Schedule 2 to this Agreement; and Regional Monitoring Committees means more than one such RMC.

42. "Road Directorate" means the road directorate under the Recipient's Ministry responsible for infrastructure, or any successor thereto.

43. "Rural Mobility Plan" means the plan prepared by a Department containing the investments to be made in secondary and tertiary roads over the period of implementation of the Project.

44. "Senegal" means the Recipient's territory.

45. "Rapid Response Option" or "RRO" means the use of all or any portion of the Credit that has been requested by the Recipient and accepted by the Association in accordance with the terms of this Agreement to: (a) assist in financing the CERP; and (b) provide complementary financing in support of the program defined in the Cat DDO Legal Agreement.

46. "Signature Date" means the later of the two dates on which the Recipient and the Association signed this Agreement and such definition applies to all references to "the date of the Financing Agreement" in the General Conditions.

47. "SRPDT" means *Services Régionaux de Promotion du Développement Territorial*, the local offices of the Directorate for the Promotion of Local Development under MUCTAT with authority on Casamance and Kédougou, or any successor thereto.

48. "Sub-project" means a socio-economic sub-project or a livelihood sub-project, to be implemented under Part 3 of the Project, as further described in the PIM.

49. "Sub-financing" means a financing extended by the Recipient to a Beneficiary for the implementation of a Sub-project, in accordance with the provisions of or as referred to in Section I.C of Schedule 2 to this Agreement.

50. "Sub-financing Agreement" means the agreement to be entered into in accordance with the provisions of Section I.C.2 of Schedule 2 to this Agreement for the provision of a Sub-financing to a Beneficiary.

51. "Training" means the reasonable cost, as approved by the Association through an Annual Work Plan and Budget, of training, study tours, conferences and workshops conducted and/or attended by staff from the Recipient and/or other

stakeholders, in the territory of the Recipient or, subject to the Association's prior no objection, overseas, including the purchase and publication of materials, rental of facilities, course fees, and lodging, travel expenses and *per diems* for trainers and/or trainees.